

TAB 23

Designation Run Report

Reardon, Steve

Reardon, Steve 11-30-2018

Plaintiffs Affirmative Designations 00:45:51

Defense Affirmative Designations 00:22:32

Defense Counter Designations 00:06:52

Plaintiff Counter Counters 00:00:52

Total Time 01:16:07



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	426:21 the page count is, this is all suspicious orders, 426:22 right? 426:23 A. Based on the criteria that the DEA agreed 426:24 to. 427:1 Q. Based on whatever. These are all 427:2 suspicious orders under your CFR reporting 427:3 requirement, correct? 427:4 A. Correct. 427:5 Q. And Cardinal shipped all these orders out 427:6 into our communities across the country, didn't 427:7 they?	
427:9 - 429:20	Reardon, Steve 11-30-2018 (00:02:37)	SR03.22
	427:9 A. It may have been some that were caught at 427:10 the distribution center and investigated. 427:11 BY MR. FULLER: 427:12 Q. Well, this report isn't generated until 427:13 the end of the month, right? 427:14 A. But it's a two-step process. 427:15 Q. I understand, but just listen to my 427:16 question. 427:17 This report isn't generated until the end 427:18 of month, correct? 427:19 A. Correct. 427:20 Q. And any shipments that have gone, have 427:21 long gone out because it's usually 24-hour 427:22 turnaround, correct? 427:23 A. Correct. 427:24 Q. So if you look, there's, actually, I 428:1 think, a run date of August 5, 2007 on here, 428:2 right? 428:3 A. Yes. 428:4 Q. So these orders were gone by the time this 428:5 report was printed. You agree? 428:6 A. Correct. 428:7 Q. We'll come back to that document in just a 428:8 minute, but you're talking about the second part 428:9 of this process. 428:10 The second part of this process is for 428:11 pickers and checkers to pick up on excessive 428:12 orders in the distribution centers; is that true?	

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	<p>428:13 A. Correct.</p> <p>428:14 Q. And pickers and checkers are the people</p> <p>428:15 filling the orders at the distribution facilities,</p> <p>428:16 right?</p> <p>428:17 A. Correct.</p> <p>428:18 Q. And if a picker and checker finds an order</p> <p>428:19 that exceeds some sort of internal limit, then</p> <p>428:20 they are to pull that order and report that</p> <p>428:21 specific order as suspicious; isn't that right?</p> <p>428:22 A. They're required to -- not necessarily a</p> <p>428:23 limit. If something they see based on their</p> <p>428:24 experience with the customer or other customers,</p> <p>429:1 they can pull the order and do further</p> <p>429:2 investigation and contact the DEA.</p> <p>429:3 Q. And how long was this system in place,</p> <p>429:4 these ingredient limit reports and the picker and</p> <p>429:5 checkers? That system was in place from back in</p> <p>429:6 the '90s?</p> <p>429:7 A. Early '90s until --</p> <p>429:8 Q. About 2007, right?</p> <p>429:9 A. Correct. However, the order-filler</p> <p>429:10 process at least still existed when I retired.</p> <p>429:11 Q. And when you mean the order-filler</p> <p>429:12 process, you're talking about the pickers and</p> <p>429:13 checkers?</p> <p>429:14 A. Correct.</p> <p>429:15 MR. FULLER: So let's go to 4924.</p> <p>429:16 This is going to be plaintiffs' exhibit -- I'm</p> <p>429:17 sorry, did I say for the record, Plaintiffs'</p> <p>429:18 Exhibit 31 is going to be P-3756.</p> <p>429:19 Plaintiffs' Exhibit 32 is going to be</p> <p>429:20 4924.</p>	
430:2 - 430:4	Reardon, Steve 11-30-2018 (00:00:12)	SR03.23
	<p>430:2 Q. Now, this is a manual that Mr. Brantley</p> <p>430:3 was just shown the other day when he was being</p> <p>430:4 deposed. And let's go to page 144.</p>	
430:5 - 431:19	Reardon, Steve 11-30-2018 (00:01:38)	SR03.24
	<p>430:5 144 is required reports to DEA, correct?</p> <p>430:6 A. Correct.</p> <p>430:7 Q. And that's the system you were talking</p>	

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464:4 - 464:20	<p>459:12 A. Correct.</p> <p>Reardon, Steve 11-30-2018 (00:00:46)</p> <p>464:4 Q. And during the time that you were 464:5 overseeing the whole regulatory division -- I 464:6 think you testified repeatedly to Mr. Papantonio 464:7 about the number of employees -- you tried to push 464:8 for more employees, didn't you? 464:9 You tried to push for more financial 464:10 support, more budgetary support, because you felt 464:11 what you were given was not enough to get the job 464:12 done right, didn't you? 464:13 A. It's needing additional resources based on 464:14 the direction we wanted to go in, and I requested 464:15 additional head count. 464:16 Q. Well, the direction we wanted to go in is 464:17 to do a good job monitoring for suspicious orders 464:18 and preventing any potential diversion. That's 464:19 the direction you wanted to go in, right? 464:20 A. Correct.</p>	SR03.63
464:21 - 464:23	<p>Reardon, Steve 11-30-2018 (00:00:05)</p> <p>464:21 Q. When you asked for additional resources to 464:22 go that direction, you weren't given everything 464:23 you were asked for, were you?</p>	SR03.64
465:1 - 465:2	<p>Reardon, Steve 11-30-2018 (00:00:08)</p> <p>465:1 A. I believe I requested for two head count 465:2 and ultimately got two head count.</p>	SR03.65
465:3 - 465:11	<p>Reardon, Steve 11-30-2018 (00:00:19)</p> <p>465:3 BY MR. FULLER: 465:4 Q. So you took your three people to five 465:5 people, right? 465:6 A. Right. 465:7 Q. So you're monitoring the entire country 465:8 for suspicious orders with five people -- 465:9 A. No. 465:10 Q. -- an upgrade from three people, 465:11 correct?</p>	SR03.66
465:13 - 465:18	<p>Reardon, Steve 11-30-2018 (00:00:06)</p> <p>465:13 A. Additionally, there were people in the 465:14 distribution centers that had -- operations had 465:15 responsibility.</p>	SR03.67

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465:21 - 466:5	<p>465:16 BY MR. FULLER:</p> <p>465:17 Q. Right. There were some people in the 465:18 distribution center --</p> <p>Reardon, Steve 11-30-2018 (00:00:14)</p> <p>465:21 BY MR. FULLER:</p> <p>465:22 Q. Go ahead, if you're not done.</p> <p>465:23 A. That had responsibility for reviewing 465:24 ingredient limit reports and then working in the 466:1 cage and the vault.</p> <p>466:2 Q. And the jury's already heard about some of 466:3 those. They weren't full-time -- they didn't get 466:4 full-time people there until Mr. Hartman came 466:5 along, correct?</p>	SR03.68
466:8 - 466:11	<p>Reardon, Steve 11-30-2018 (00:00:08)</p> <p>466:8 Q. And when Mr. Hartman came along, he 466:9 actually revamped the whole system and got -- and 466:10 more than doubled the employees you had, didn't 466:11 he?</p>	SR03.69
466:13 - 466:17	<p>Reardon, Steve 11-30-2018 (00:00:12)</p> <p>466:13 A. What occurred was, people in the 466:14 distribution centers that were tasked with 466:15 compliance responsibilities moved over and changed 466:16 in the reporting structure, reporting up through 466:17 my organization.</p>	SR03.70
466:18 - 466:22	<p>Reardon, Steve 11-30-2018 (00:00:10)</p> <p>466:18 BY MR. FULLER:</p> <p>466:19 Q. And he got full-time personnel at each of 466:20 the distribution centers, something you didn't 466:21 have the benefit of, right?</p> <p>466:22 A. I did not.</p>	SR03.71
469:20 - 470:3	<p>Reardon, Steve 11-30-2018 (00:00:16)</p> <p>469:20 Q. You had three people sitting in corporate 469:21 headquarters looking at this document. And that's 469:22 just from one distribution center, right?</p> <p>469:23 A. Correct.</p> <p>469:24 Q. This was done for all 20-some-odd 470:1 distribution centers, so this times 27. Nobody 470:2 can investigate all those with three people. We 470:3 can agree on that, can't we --</p>	SR03.72
470:5 - 470:14	<p>Reardon, Steve 11-30-2018 (00:00:17)</p>	SR03.73

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	470:5 BY MR. FULLER: 470:6 Q. -- at least not investigate them the way 470:7 they should be investigated, correct? 470:8 A. I guess. 470:9 Q. Don't guess. You used to be a law 470:10 enforcement officer. I used to be a prosecute 470:11 other. 470:12 You and I both know there's no way to do a 470:13 proper investigation of all these with three 470:14 people, correct?	
470:16 - 470:19	Reardon, Steve 11-30-2018 (00:00:05)	SR03.74
	470:16 A. I agree. 470:17 BY MR. FULLER: 470:18 Q. At least not to the standard you want to 470:19 do it, correct?	
470:21 - 470:21	Reardon, Steve 11-30-2018 (00:00:01)	SR03.75
	470:21 A. Correct.	
473:10 - 473:10	Reardon, Steve 11-30-2018 (00:00:02)	SR03.153
	473:10 Q. Let's do the pill comparison, please. So	
473:11 - 473:15	Reardon, Steve 11-30-2018 (00:00:15)	SR03.77
	473:11 during the time frame that you were there, part of 473:12 your job was to look for -- we talked about 473:13 suspicious orders and to look for patterns, 473:14 right? 473:15 A. Correct.	
473:16 - 473:17	Reardon, Steve 11-30-2018 (00:00:04)	SR03.154
	473:16 Q. Did you -- well, you testified earlier you 473:17 didn't look at any pill counts, correct?	
473:19 - 474:21	Reardon, Steve 11-30-2018 (00:00:56)	SR03.78
	473:19 A. I did not personally. 473:20 BY MR. FULLER: 473:21 Q. Well, let's start. So Ohio is -- I mean, 473:22 you know where Ohio is. You were based in 473:23 Columbus or the Columbus area, correct? 473:24 A. Correct. 474:1 Q. Illinois is two states over. Are you 474:2 aware that the states are similarly situated? I 474:3 mean, Illinois has about a million more people 474:4 than Ohio. Are you aware of that? 474:5 A. No.	

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529:17 - 529:21	529:17 What did you mean by "a new standard"? 529:18 A. It was a change in the way that -- moving 529:19 away from the ingredient limit report and there 529:20 was -- the biggest thing that came out to me here 529:21 was they were clear-cut that -- do not ship.	
529:22 - 529:23	529:22 Q. And was that new to you? 529:23 A. That was new to me.	
529:24 - 530:2	529:24 Q. And what steps did Cardinal Health take 530:1 after the presentation by AmerisourceBergen and 530:2 DEA?	
530:3 - 530:6	530:3 A. Well, immediately upon return to the -- to 530:4 our corporate office, we started pulling together 530:5 the appropriate team to start developing a new 530:6 program.	
530:7 - 531:1	Reardon, Steve 11-30-2018 (00:00:40)	SR03.135
530:7 - 530:10	530:7 Q. Earlier, when you were being asked 530:8 questions by plaintiffs, you were shown some 530:9 differences between Ohio and Illinois. 530:10 Do you remember that?	
530:11 - 530:14	530:11 A. Yes. 530:12 Q. Would every one of the pills, every piece 530:13 of medication that was in that chart, have been 530:14 reported to DEA through the ARCOS system?	
530:15 - 530:20	530:15 A. Yes. 530:16 Q. And to your knowledge, would every 530:17 prescription that was filled in either Ohio or 530:18 Illinois or West Virginia, or any other state for 530:19 that matter, would that have required a doctor's 530:20 prescription?	
530:21 - 530:24	530:21 A. Yes. 530:22 Q. And for every prescription and pill 530:23 dispensed, would there have had to have been a 530:24 pharmacist with the corresponding responsibility 531:1 who made a decision to dispense that medication?	
531:3 - 531:3	Reardon, Steve 11-30-2018 (00:00:01)	SR03.137
531:3	531:3 A. Yes.	
532:4 - 532:17	Reardon, Steve 11-30-2018 (00:00:29)	SR03.138
532:4 - 532:6	532:4 Q. Approximately how many distribution 532:5 facilities does Cardinal Health have? 532:6 A. They could have -- I mean approximately in	